



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5  
77 WEST JACKSON BOULEVARD  
CHICAGO, IL 60604-3590

**MAY 25 2018**

REPLY TO THE ATTENTION OF:

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Lee Bergmann  
Regional Manager  
Environmental, Health, and Safety  
Regal Beloit America, Inc.  
100 E Randolph St.  
Wausau, WI 54401

Re: Finding of Violation  
Regal Beloit America, Inc.  
Wausau, Wisconsin

Dear Mr. Bergmann:

The U.S. Environmental Protection Agency is issuing the enclosed Finding of Violation (FOV) to Regal Beloit America, Inc. (you) under Section 113(a)(1) of the Clean Air Act, 42 U.S.C. § 7413(a)(1). We find that you are violating the Wisconsin State Implementation Plan at your Wausau, Wisconsin facility.

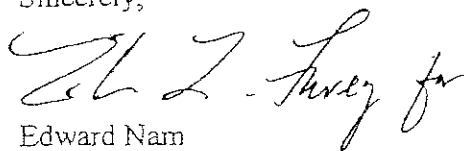
Section 113 of the Clean Air Act gives us several enforcement options. These options include issuing an administrative compliance order, issuing an administrative penalty order and bringing a judicial civil or criminal action.

We are offering you an opportunity to confer with us about the violations alleged in the FOV. The conference will give you an opportunity to present information on the specific findings of violation, any efforts you have taken to comply and the steps you will take to prevent future violations. In addition, in order to make the conference more productive, we encourage you to submit to us information responsive to the FOV prior to the conference date.

Please plan for your facility's technical and management personnel to attend the conference to discuss compliance measures and commitments. You may have an attorney represent you at this conference.

The EPA contact in this matter is Gregory Gehrig. You may call him at (312) 886-4434 to request a conference. You should make the request within 10 calendar days following receipt of this letter. We should hold any conference within 30 calendar days following receipt of this letter.

Sincerely,

A handwritten signature in cursive script, appearing to read "E. Nam", followed by a flourish.

Edward Nam  
Director  
Air and Radiation Division

Enclosure

cc: Maria Hill, Wisconsin Department of Natural Resources

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5

IN THE MATTER OF:

Regal Beloit America, Inc.  
Wausau, Wisconsin

Proceedings Pursuant to  
the Clean Air Act,  
42 U.S.C. §§ 7401 et seq.

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**FINDING OF VIOLATION**

**EPA-5-18-WI-04**

**FINDING OF VIOLATION**

The U.S. Environmental Protection Agency (EPA) finds that Regal Beloit America, Inc. (RBA or you) is violating Section 112 of the Clean Air Act (CAA), 42 U.S.C. § 7412. Specifically, RBA is violating the following Subparts or National Emission Standards for Hazardous Air Pollutants (NESHAP), sometime referred to as Maximum Achievable Control Technology (MACT), at 40 C.F.R. Part 63:

- Subpart ZZZZ for Stationary Reciprocating Internal Combustion Engines (RICE MACT).
- Subpart ZZZZZ for Iron and Steel Foundries Area Sources (Foundry MACT).
- Subpart XXXXXX for Nine Metal Fabrication and Finishing Source Categories (6X MACT).

**Findings of Fact**

1. RBA does not have the potential to emit more than 10 tons per year (TPY) of any single hazardous air pollutant (HAP) nor 25 TPY of any number of HAPs in combination and is an Area Source of HAP emissions per Section 112 of the CAA, 42 U.S.C. § 7412 (Area Source).
2. RBA owns and operates a motor and generator manufacturing facility in Wausau, Wisconsin (the facility).
3. RBA owns and operates four stationary compression ignition (CI), non-black start, non-emergency RICEs with brake horsepower (Hp) of 750, 760, 1490 and 1490, or RICEs No. 1 to 4, respectively. All of these RICEs were constructed prior to December 19, 2002.
4. RBA conducts machining, dry grinding and dry polishing with machines, and welding operations per 40 C.F.R. § 63.11522.
5. On June 9, 2016, RBA conducted a performance test for carbon monoxide (CO) for RICE No. 4 (aka the No. 4 Gen Set).
6. Until February 2017, RBA cast iron casings from a foundry located at the facility.

7. EPA conducted an on-site inspection of the facility on August 31, 2017.

8. EPA issued a request for information to RBA on November 8, 2017 under Section 114 of the CAA, 42 U.S.C. § 7414. RBA responded to the information request on January 8, 2018.

#### Regulatory Authority

9. RICE MACT:

- a. On June 15, 2004, EPA promulgated the RICE MACT at 40 C.F.R. Part 63, Subpart ZZZZ. *See* 69 Fed. Reg. 33506.
- b. The RICE MACT applies to persons who own or operate stationary RICEs at an Area Source of HAP emissions. 40 C.F.R. § 63.6585.
- c. 40 C.F.R. § 63.6603(a) requires non-emergency, non-black, CI stationary RICE > 500 Hp to demonstrate initial compliance with the CO emission limitation in Table 2.d of the RICE MACT by October 30, 2013 (the deadline set forth in 40 C.F.R. § 63.6612).
- d. 40 C.F.R. § 63.6612(a) requires an initial performance test for existing stationary RICE located at an Area Source in accordance with 40 C.F.R. § 63.6620(a) and Table 4.1 of the RICE MACT by October 30, 2013.
- e. 40 C.F.R. § 63.6615 requires a subsequent performance test for existing stationary RICE located at an Area Source in accordance with Table 3.4 of the RICE MACT no later than 3 years after the initial performance test.
- f. 40 C.F.R. § 63.6625 requires compliance with emissions and operating limits listed in Table 5 of the RICE MACT.
- g. 40 C.F.R. § 63.6630 requires an initial demonstration of compliance with emissions and operating limits listed in Table 5 of the RICE MACT.
- h. 40 C.F.R. §§ 63.6635 and 6640 require continuous compliance with an emissions or operating limit be demonstrated according to the methods provided in Table 6 of the RICE MACT.
- i. 40 C.F.R. § 63.6645(a) and § 63.9(b) require the owner or operator of existing stationary CI RICE located at an Area Source to submit a notification of compliance status for performance tests, subsequent performance tests and compliance methods selected beginning December 30, 2013.

- j. 40 C.F.R. § 63.6650(a) requires owners and operators of stationary RICE to submit semiannual compliance reports according to Table 7 of the RICE MACT and 40 C.F.R. § 63.6650(b) beginning July 31, 2013.
- k. 40 C.F.R. § 63.6655 requires owners and operators of stationary RICE to keep records demonstrating compliance beginning July 31, 2013.

10. Foundry MACT:

- a. On January 2, 2008, EPA promulgated the Foundry MACT at 40 C.F.R. Part 63, Subpart ZZZZZ. See 73 Fed. Reg. 252.
- b. The Foundry MACT applies to any person who owns or operates an iron or steel foundry that is an Area Source of HAP emissions. 40 C.F.R. § 63.10880(a).
- c. The Foundry MACT applies to each existing affected source. 40 C.F.R. § 63.10880(b).
- d. An affected source is existing if it was constructed or reconstructed before September 17, 2007. 40 C.F.R. § 63.10880(b)(1).
- e. Pursuant to 40 C.F.R. § 63.10880(f), if an affected source's metal melt production for calendar year 2008 was less than 20,000 tons, the area source is considered a small foundry.
- f. 40 C.F.R. § 63.10885(a)(1) requires a facility to operate at all times according to written material specifications for the acceptance of restricted metallic scrap after January 2, 2009.
- g. 40 C.F.R. § 63.10890(e)(2) requires a facility to maintain records demonstrating compliance with the specifications in 40 C.F.R. § 63.10885(a) since January 2, 2009.
- h. 40 C.F.R. § 63.10885(b) requires a facility to comply with one of four options for mercury switches management practices after January 4, 2010. A facility must submit a site-specific plan or a certification of the selected option in the notice of compliance status.
- i. 40 C.F.R. § 63.10890(e)(3) and/or (4) requires a facility to maintain records demonstrating compliance with 40 C.F.R. § 63.10885(b) since January 4, 2010.
- j. 40 C.F.R. § 63.10890(c)(2) requires a facility to submit a notification of compliance status for mercury switches management practices by February 3, 2010.

- k. 40 C.F.R. § 63.10890(c)(3) requires a facility to submit a notification of compliance status for binder formulations management practices by February 1, 2009.
- l. 40 C.F.R. § 63.10890(f) requires a facility to submit semiannual compliance reports that clearly identify any deviation from the pollution prevention management practices in 40 C.F.R. § 63.10885 or 40 C.F.R. § 63.10886 beginning July 30, 2009.

11. 6X MACT:

- a. On July 23, 2008, EPA promulgated the 6X MACT at 40 C.F.R. Part 63, Subpart XXXXXX. See 73 Fed. Reg. 43000.
- b. The 6X MACT applies to persons who own or operate a source primarily engaged in electrical and electronic equipment finishing operations. This includes the manufacturing of motors and generators. 40 C.F.R. § 63.11514(a)(1) and Table 1.
- c. 40 C.F.R. §§ 63.11514(b) and 63.11516 require compliance with standards and management practices for manufacturing operations conducted at affected sources, including machining, dry grinding and welding beginning July 25, 2011.
- d. 40 C.F.R. § 63.11519(c)(2) requires visual determinations of welding fugitive emissions as specified in 40 C.F.R. § 63.11517(b) "Monitoring requirements," at the primary vent, stack, exit or opening from the building containing the welding operations as required in 40 C.F.R. § 63.11516(f)(3) Tier 1 compliance requirements for welding beginning July 25, 2011. 40 C.F.R. § 63.11519(c)(2) also requires a record of visual determinations of fugitive emissions along with any corrective action taken in accordance with the requirements.
- e. 40 C.F.R. § 63.11519(a)(1) requires an affected source to submit an Initial Notification by July 25, 2011.
- f. 40 C.F.R. § 63.11519(a)(2) requires an affected source to submit a notification of compliance status by November 22, 2011.
- g. 40 C.F.R. § 63.11519(b) requires an affected source to submit annual certifications and compliance reports beginning December 31, 2011.
- h. 40 C.F.R. § 63.11519(c) requires an affected source to keep records in accordance with 40 C.F.R. § 63.11519(c) for at least 5 years.

Violations

12. RBA has violated the following RICE MACT requirements:

- a. Since October 30, 2013, RBA has failed to demonstrate initial compliance with the CO emission limitation in Table 2.d of the RICE MACT per 40 C.F.R. § 63.6603(a) on all four RICEs.
- b. Since October 30, 2013, RBA has failed to conduct an initial performance test for CO for three RICEs per 40 C.F.R. §§ 63.6612(a), 63.6620(a) and Table 4.1 of the RICE MACT.
- c. From October 30, 2013 to June 9, 2016, RBA failed to conduct an initial performance test for CO for RICE No. 4 per 40 C.F.R. § 63.6612(a), § 63.6620(a) and Table 4.1 of the RICE MACT.
- d. Since October 30, 2016, RBA has failed to conduct subsequent performance tests for CO for RICEs No. 1 to 3 per 40 C.F.R. § 63.6615 and Table 3.4 of the RICE MACT.
- e. Since October 30, 2013, RBA has failed to select and implement a compliance method for RICE No. 4 per 40 C.F.R. § 63.6625 and Table 5 of the RICE MACT.
- f. Since October 30, 2013, RBA has failed to demonstrate compliance with the method selected in Table 5 of the RICE MACT for RICE No. 4 per 40 C.F.R. § 63.6630.
- g. Since October 30, 2013, RBA has failed to demonstrate continuous compliance for the RICE No. 4 per 40 C.F.R. §§ 63.6635, 63.6640 and Table 6 of the RICE MACT.
- h. Since August 31, 2013, RBA has failed to submit an initial notification per 40 C.F.R. §§ 63.6645(a) and 63.9(b).
- i. Since December 30, 2013, RBA has failed to submit notifications of compliance status per 40 C.F.R. §§ 63.6645(h) and 63.9(h) for performance tests, subsequent performance tests and compliance methods selected.
- j. Since July 31, 2013, RBA has failed to submit semiannual compliance reports per 40 C.F.R. § 63.6650(a) and Table 7 of the RICE MACT.
- k. Since July 31, 2013, RBA has failed to keep records demonstrating compliance per 40 C.F.R. § 63.6655.

13. RBA has violated the following Foundry MACT requirements:

- a. From January 2, 2009 until February 1, 2017, the facility failed to operate at all times according to written material specifications for the acceptance of restricted metallic scrap as required by 40 C.F.R. § 63.10885(a)(1).

- b. From January 2, 2009 until February 1, 2017, the facility failed to maintain records demonstrating compliance with the specifications in 40 C.F.R. § 63.10885(a), as required by 40 C.F.R. § 63.10890(e)(2).
- c. From January 4, 2010 until February 1, 2017, the facility failed to comply with one of four mercury management practices as required by 40 C.F.R. § 63.10885(b).
- d. From January 4, 2010 until February 1, 2017, the facility failed to maintain records demonstrating compliance with 40 C.F.R. § 63.10885(b) as required by 40 C.F.R. § 63.10890(e)(3) and/or (4).
- e. From February 3, 2010 until February 1, 2017, the facility failed to submit a notification of compliance status for mercury switches management practices as required by 40 C.F.R. § 63.10890(c)(2).
- f. From February 1, 2009 until February 1, 2017, the facility failed to submit a notification of compliance status for binder formulations management practices as required by 40 C.F.R. § 63.10890(c)(3).
- g. From July 30, 2009 until February 1, 2017, the facility failed to submit semiannual compliance reports that clearly identify any deviation from the pollution prevention management practices in 40 C.F.R. § 63.10885 or 40 C.F.R. § 63.10886 as required by 40 C.F.R. § 63.10890(f).

14. RBA has violated the following 6X MACT requirements:

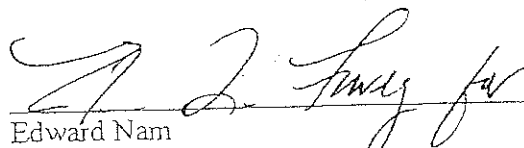
- a. Since July 11, 2011, RBA has failed to comply with standards and management practices for dry grinding and dry polishing with machines 40 C.F.R. § 63.11516(c).
- b. Since July 25, 2011, RBA has failed to perform visual determinations of welding fugitive emissions as specified in 40 C.F.R. § 63.11517(b), "Monitoring requirements," at the primary vent, stack, exit or opening from the building containing the welding operations as required in 40 C.F.R. § 63.11516(f)(3) Tier 1 compliance requirements for welding. RBA has also failed to keep a record of visual determinations of fugitive emissions along with any corrective action taken in accordance with the requirements in 40 C.F.R. § 63.11519(c)(2).
- c. Since July 25, 2011, RBA has failed to submit an Initial Notification in accordance with 40 C.F.R. § 63.11519(a)(1).
- d. Since November 22, 2011, RBA has failed to submit a notification of compliance status in accordance with 40 C.F.R. § 63.11519(a)(2).
- e. Since December 31, 2011, RBA has failed to submit annual certifications and compliance reports in accordance with 40 C.F.R. § 63.11519(b).



- f. For at least five years prior to the issuance of this FOV, RBA has failed to keep records in accordance with 40 C.F.R. § 63.11519(c).

Date

5/15/18

  
Edward Nam

Director

Air and Radiation Division

### CERTIFICATE OF MAILING

I certify that I sent a Finding of Violation, No. EPA-5-WI-18-04, by Certified Mail, Return Receipt Requested, to:

Lee Bergmann  
Regional Manager  
Environmental, Health, and Safety  
Regal Beloit America, Inc.  
100 E Randolph St.  
Wausau, WI 54401

I also certify that I sent copies of the Finding of Violation by first-class mail to:

Maria Hill, Chief  
Compliance, Enforcement, and Emission Inventory Section  
Bureau of Air Management  
Wisconsin Department of Natural Resources  
101 South Webster Street  
PO Box 7921 (AM/7)  
Madison, WI 53707-7921

On the 31<sup>st</sup> day of May 2018

Kathy Jones

Kathy Jones  
Program Technician  
AECAB, PAS

CERTIFIED MAIL RECEIPT NUMBER:

7017 0660 0000 3661 7321